



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0462	Title:	Allow free association by public employees
Primary Sponsor:	Wittich, Art	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other	(\$382)	(\$382)	(\$388)	(\$394)
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 462 would prohibit the state from withholding union dues from employee pay checks and submitting withholdings to the respective union.

FISCAL ANALYSIS

Assumptions:

1. State employees are paid biweekly, and union dues are withheld from paychecks each pay period except the two times each year where there are three pay checks in a month. Therefore, dues are withheld 24 times per year, and payments are made to individual unions 24 times per year for the amount of employees' withholdings.
2. Central payroll spends approximately eight hours each pay period reconciling union dues withholdings and mailing checks to various unions. These eight hours would be redirected to other division workload items and would not generate any direct savings.
3. It is estimated that 30 warrants are issued each of the 24 pay periods at a cost \$.53 per warrant to cover the postage, print, and warrant stock expenses. The estimated annual cost for producing union dues warrants is \$382.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Operating Expenses	<u>(\$382)</u>	<u>(\$382)</u>	<u>(\$388)</u>	<u>(\$394)</u>
TOTAL Expenditures	<u><u>(\$382)</u></u>	<u><u>(\$382)</u></u>	<u><u>(\$388)</u></u>	<u><u>(\$394)</u></u>
<u>Funding of Expenditures:</u>				
Other	<u>(\$382)</u>	<u>(\$382)</u>	<u>(\$388)</u>	<u>(\$394)</u>
TOTAL Funding of Exp.	<u><u>(\$382)</u></u>	<u><u>(\$382)</u></u>	<u><u>(\$388)</u></u>	<u><u>(\$394)</u></u>
<u>Revenues:</u>				
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL Revenues	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
Other	\$382	\$382	\$388	\$394

Technical Notes:**Department of Labor and Industry**

1. The provisions of Section 1 (3) are unclear, because it is uncertain whether those provision also modify the definition of “public employer” contained within the definition of “public employee” found at 39-31-103(9)(a), MCA, or of a “public employer” as found at 39-31-103(10), MCA.
2. The provisions of Section 1 (4) are unclear, because it is uncertain whether those provision also modify the definition of “public employer” contained within the definition of “public employee” found at 39-31-103(9)(a), MCA, or of a “public employer” as found at 39-31-103(10), MCA.
3. The language of Section 2 (1) pertaining to a “public employee” does not appear to be limited to an employee of a city or town, and, as such, appears to be in conflict with the provisions of Section 1.
4. The language of Section 3 (1) pertaining to a “public employee” does not appear to be limited to an employee of a county, and, as such, appears to be in conflict with the provisions of Section 1.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date